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AGRICULTURAL COOPERATION

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION COLLECTED BY THE DIVISION OF CO-OPERATIVE MARKETING.
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MUCH WOOL MARKETED COOPERATIVELY

More than 25,590,000 pounds of wool of the 1926 clip was marketed through farmer-owned or -controlled cooperative associations. This wool was delivered by about 25,000 producers and had a sales value of approximately \$8,100,000. The associations were located in 31 of the 48 states. Nineteen of the associations were classified as large-scale enterprises, 36 were independent locals or local pools, 7 were associations handling wool as a side line, and 2 were sales agencies. The large-scale associations were serving the wool producers of fairly large areas, in some cases entire states, and in a few instances several states. The local associations were furnishing shipping or marketing service, or both, for the producers of limited areas, such as a county or the territory about a shipping point. The two sales agencies were located in eastern cities close to the mills and furnished sales service to many of the associations located in the producing sections.

Seventy-seven per cent of the producers being served in 1926 were members of the large-scale associations, and 22 per cent were members of local associations. More than 78 per cent of the total pounds of wool delivered for marketing was delivered by consignors affiliated with the large-scale associations, and the sales value of this wool was 75 per cent of the value of all the wool handled cooperatively.

The average number of consignors per association was 1,074 for the large-scale associations and 173 for the local associations. The average quantity of wool per consignor was 1,087 pounds for the large-scale associations, and 624 pounds for the local associations.

The oldest of the wool marketing associations listed by the U. S. Department of Agriculture was organized in 1885.

Among the 62 associations is a federation of local units, also several groups of wool producers acting collectively under the leadership furnished by an agricultural college or other state agency.

COLORADO POTATO GROWERS PAYING FOR WAREHOUSES

Common stock in the Colorado Potato Warehousing Corporation, Denver, to the amount of \$10,747, was distributed in April to members of the Colorado Potato Growers' Exchange, based on deductions from the sales of 1925-26 potatoes. This is the first distribution of common stock and the amounts distributed to individuals are based upon actual deductions made to absorb the cost of the warehouses.

Organization of the warehousing corporation was completed in June, 1925, and since that time ten warehouses and grading plants have been built or leased and equipped with machinery for grading and handling potatoes, at a total cost of more than \$41,000. It is expected that by the expiration of the present five-year marketing contract these plants will be fully paid for and the ownership will rest with the growers who have delivered potatoes.

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MICHIGAN POTATO EXCHANGE URGES CERTIFIED SEED

Fourteen hundred bushels of the best, certified, russet rural, seed potatoes available in Michigan are being distributed by the Michigan Potato Growers' Exchange to 14 of its affiliated cooperative associations, according to a recent report from the management. This plan is the outgrowth of the increasing demand by housewives for quality table stock and a desire on the part of the members of the Exchange to meet this demand.

Certified seed has been produced in Michigan for the past seven years, but the bulk of the seed has been shipped to Ohio, Indiana, Pennsylvania and other states to produce table stock for them to sell. As these states are the natural markets for Michigan's table stock, it is felt that Michigan should be prepared to send high grade table stock into these markets.

It is the desire of the Exchange to demonstrate to the table-stock growers in the state the value of certified seed, to raise Michigan's standard on table stock, and to open the market in the state for certified seed. This distribution of the 1,400 bushels of certified seed is expected to help attain this object. Enough of the seed is being given each of the 14 associations for one grower to plant five acres.

This seed will be planted and grown under the supervision of the Michigan State College of Agriculture. The crop grown will be brought to the association warehouse, there to be exchanged for table stock on a basis agreed upon by the association and the grower.

NEW LOCAL FOR CALIFORNIA FRUIT GROWERS EXCHANGE

A new local of the California Fruit Growers' Exchange, Los Angeles, is the Highland Citrus Association, which reorganized as a cooperative group, joined the Redlands-Highlands Fruit Exchange, and began marketing its fruit through exchange channels, effective April first.

This group represents about 1,000 acres of groves, chiefly navels, and will have about 200 more cars to ship this season. Next season it is expected it will have about 700 cars of oranges, grapefruit and lemons.

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ARIZONA CITRUS GROWERS SHIP MORE GRAPEFRUIT

Shipments of grapefruit by the Arizona Citrus Growers, Pheonix, are expected to be about 10 per cent over those of last year. The crop of oranges was short, leaving the total pack about the same as last year, which was approximately 400 car loads, although the fruit was not all sold in car loads. About three-fourths of the total was grapefruit.

The first pool of grapefruit this season contained over 50,000 boxes, the second about 35,000, and the last will probably contain 60,000 boxes.

At the annual meeting held April 9, the general manager reported that the actual cost of packing last year was 57 cents per box, and the cost of selling was 8 cents per box. This cost was based on a total handling of 186,000 boxes of fruit, of which 170,000 boxes were packed and the rest sold loose or as culls.

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LOCAL CITRUS ASSOCIATION DELIVERS OIL TO GROVES

A somewhat unusual service has been rendered to its members by the Whittier Select Citrus Association, Whittier, Calif., for the past two seasons, by operating a truck oil-tank service to transport fuel oil for orchard heaters. During the 1925-26 season, the first of operation of this service, the association delivered 13,600 barrels of oil. The past season was milder and less oil was required.

This service is performed for the growers at the rate of 10 cents a barrel for hauling. As a truck can handle 300 barrels in a day the service pays for itself. Any surplus above cost of operation is returned to the growers in proportion to the quantity of oil handled for them.

The oil is transported either from tank cars or from the association's storage tank to the grower's storage tank in the orchard where it is to be used. At the end of the season this truck is sent into the orchards to pump the oil remaining in the heaters back into the truck tank and cart it to the grower's tank for use the next year.

MORE BUTTER NEEDED BY LAND O'LAKES CREAMERIES

A call for 30 more creameries to join its ranks has been issued by the Land O'Lakes Creameries, Inc., Minneapolis. More butter has been sold for standing weekly orders and storage requirements than the member creameries are able to produce and deliver. The association needs another 10,000,000 pounds of butter to hold the trade and supply its customers.

About 20 of the association creameries are now making sweet butter-milk powder and driers have been ordered by several more factories. There are also 23 creameries delivering their buttermilk at the concentration point at Litchfield to be dried. The buttermilk powder is in good demand for poultry and calf feed.

Sweet cream is shipped to eastern cities in carlots from Watertown, and will soon be shipped also from Glencoe. A set of requirements, based upon the rules and regulations established by the health departments of certain eastern cities, has been formulated by the association for the guidance of creameries and farmers, whether they ship cream or make butter.

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WASHINGTON DAIRY ASSOCIATION GROWING RAPIDLY

Sales by the Whatcom County Dairymen's Association, Bellingham, Wash., amounted to \$2,588,434 for 1926. The principal items making up the total were: butter, \$1,506,069; cheese, \$120,660; milk powder, \$475,770; condensed milk, \$3,404; poultry feeds, \$103,546; milk and cream, \$201,004; ice cream and mixes, \$111,589; storage, ice and miscellaneous, \$66,392. The output of the plant included the following: butter, 3,368,668 pounds; cheese, 323,020 pounds; milk powder, 3,777,842 pounds; poultry feeds, 1,827,956 pounds; ice cream and mixes, 92,428 gallons; condensed milk, 7,283 pounds; cream and pasteurized milk, 357,051 gallons.

The net worth of the association on December 31, was \$500,307, including \$263,916 as an undistributed surplus invested in plants.

This enterprise serves about 1,800 producers. Its growth since 1922 is indicated by the following figures:

Year	Milk received (Pounds)	Butter made (Pounds)	Cheese made (Pounds)	Sales
1922	41,619,210	2,906,720	569,551	\$1,555,594
1923	56,073,894	3,179,069	447,969	2,132,000
1924	64,778,056	3,291,587	483,704	2,202,684
1925	60,579,785	3,072,534	530,676	2,384,472
1926	69,483,460	3,368,668	323,020	2,588,434

NEW ZEALAND DAIRY COOPERATIVE MINES ITS COAL

The seventh annual report of the New Zealand Cooperative Dairy Company, Ltd., Hamilton, New Zealand, recently received, indicates that this producer-owned enterprise is still one of the larger of the cooperatives for the marketing of dairy products. During the 1925-26 season the association received 259,778,595 pounds of milk and 85,978,856 pounds of cream. Its output of dairy products was as follows: butter, 49,875,539 pounds; cheese, 10,677,991 pounds; casein, 2,065,238 pounds; milk powder, 5,062,345 pounds. Sales of dairy products amounted to approximately \$18,100,000 for the year. The principal items making up the total were: butter, \$15,452,000; cheese, \$1,802,000; milk powder, \$683,000; casein, \$181,000.

Dairy products are exported largely to the British markets, the association having an office in London with its own representatives in charge. The best grade of butter is marketed under the "Anchor" brand.

The association is adding to its present equipment a large butter factory, centrally located. Besides plants for making butter, there are 15 cheese factories and 3 plants for manufacturing milk powder.

The growth of this cooperative as a dairy marketing enterprise is indicated by the following figures covering the last four years:

Season	Butter	Cheese	Casein	Milk powder	Total
	(Tons)	(Tons)	(Tons)	(Tons)	(Tons)
1922-23	22,020	3,482	826	3,456	29,784
1923-24	20,662	4,273	638	3,611	29,189
1924-25	22,512	4,626	657	3,981	31,776
1925-26	22,266	4,767	922	2,260	30,215

A coal mine has been organized as a subsidiary of the dairy products cooperative. The coal is used largely to supply the various plants operated by the parent company. Sales from the mine for the 1925-26 season amounted to more than \$500,000.

Another subsidiary enterprise is the New Zealand Dairy Finance Company, Ltd., which it is stated "has already been of considerable assistance to many of the company's shareholders."

(See Agricultural Cooperation for May 11, 1925, p. 201.)

ANNUAL STATEMENT OF MANITOBA POULTRY ASSOCIATION

A financial statement of the Manitoba Cooperative Poultry Marketing Association, Ltd., Hartney, Man., for the year ending February 24, shows receipts in the egg account of \$337,031, of which the producers received \$273,579. Expenses amounted to \$61,199. Receipts in the live poultry account were \$13,619, of which \$10,983 went to the producers and \$2,159 for expenses. In the dressed poultry account receipts were \$306,245, expenses were \$23,957, and producers were paid \$277,253.

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UTAH POULTRY ASSOCIATION TELLS OF PAST YEAR'S WORK

Reports presented at the annual meeting of the Utah Poultry Producers' Cooperative Association, January 20, indicated that the past year was one of "solid, constructive development." Every department showed a gain in volume of business handled, and three new plants were opened, at Draper, Logan, and Brigham.

Through its poultry department the association handled 150,070 pounds of poultry from members and 148,000 pounds from nonmembers. Formerly only live broilers were handled, later a feeding and dressing plant was opened at Ogden.. The past year 16 cars of poultry were shipped to California markets and the remainder was fed and dressed at Ogden and shipped to California and New York. Milk-fed broilers packed by the association are finding a place on the market comparable with the association's Milk White eggs.

Turkey raising is considered a basic industry in some sections of the state and many of the turkey growers have signed a 5-year contract with the poultry association for marketing their birds on the basis of 5 per cent of gross sales. The quantity handled in 1926 was 167,800 pounds. The birds were graded and packed according to market standards and shipped under a brand and label which advertised Utah turkeys.

Various kinds of chicken and dairy feed are manufactured under the Utah Co-op brand. These are mixed in a large commercial plant under the supervision of the association, which carries full lines of feed in all of its eight warehouses. In this way the association is able to sell feeds at uniform prices under its own guarantee, without any investment in the manufacturing plant.

The association owns land and buildings with a depreciated valuation of \$25,341, with mechanical equipment valued at \$5,048, and furniture and fixtures worth \$3,337. Its working capital at the close of 1926 amounted to \$93,936, including share capital to the amount of \$71,670.

A NEW LIVESTOCK SALES AGENCY IN CALIFORNIA

Announcement is made of the organization of the Producers' Co-operative Livestock Marketing Association, to operate on the Union Stockyards at Los Angeles, Calif., as soon as sufficient volume of business is assured. The association is incorporated as a nonstock, nonprofit co-operative enterprise for receiving and marketing livestock on a commission basis. It is proposed to charge the regular commissions, but to credit earnings, after the payment of operating expenses, to the patrons of the association in accordance with the amount of their patronage.

Membership is open to all producers or feeders of livestock using the Los Angeles market. A membership fee of \$1 is charged. In becoming a member, a producer or feeder does not obligate himself for the liabilities of the association except to the extent of his equity in the earnings of the organization.

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LIVESTOCK SALES AGENCY AT SOUX CITY ACTIVE

Income from commissions of the Producers' Commission Association, Souix City, Iowa, amounted to \$54,097 for 1926. More than one-half of the total came from commissions earned by the sale of hogs, as is indicated by the following figures:

	Cattle	Sheep	Hogs	Total
Sales	\$22,477	\$881	\$28,721	\$52,079
Purchases	1,651	157	210	2,018
Total	\$24,128	\$1,038	\$28,931	\$54,097

There was income from other sources amounting to \$313. Expenses for the year were \$51,863, including the following items: field service, \$10,137; general expense, \$4,034; advertising, \$2,787; directors' expense, \$1,700; salaries, \$29,793.

During the year this sales agency handled 1,000 car loads of cattle, 41 car loads of sheep, and 1,573 car loads of hogs. It was established March 15, 1924. In less than three years it has handled more than 8,700 car loads of livestock for farmers. The greater part of this quantity was sold. The purchases were for farmers wanting stocker and feeder animals. Car load sales were as follows: 1924, 2,309; 1925, 3,392; 1926, 2,719; purchases for the same years were: 45,125, and 189 car loads.

INDIANAPOLIS PRODUCERS COMPLETE FIFTH YEAR

During the year ending March 31, the Producers' Commission Association, Indianapolis, Ind., handled 632,660 animals as follows: hogs, 472,754; cattle, 53,337; calves, 59,671; sheep, 46,898. This was a slightly smaller number than for the preceding year when 665,215 animals were handled. The decrease was due to decreased receipts on that market.

The income of the association for the year was \$163,518, made up chiefly of commissions on livestock sold. Expenses for the year were \$124,676, and the net income, \$38,842.

At the close of business on March 31, 1927, the net worth of the association, as represented in memberships and surplus, was \$98,038.

Over \$73,500 of the assets of the organization were invested in road improvement bonds and in the bonds of the United States.

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SASKATCHEWAN LIVESTOCK POOL OUTLINES POLICY

At the first delegates' meeting of the Saskatchewan Livestock Co-operative Marketing Association, Ltd., held at Regina, March 17, a decision was reached to create a selling agency for the association, and also to work toward the establishment of an inter-provincial, producer-owned, selling agency. The policy of the pool was outlined as follows:

1. That the permanent independence of the association be fully maintained.
2. That the association establish its own selling agencies.
3. That our efforts should tend toward the establishment of a central selling agency owned and controlled by the co-operative livestock marketing associations of Saskatchewan, Alberta and Manitoba.
4. That as far as practicable, livestock be collected, sorted and sold on stockyards in Saskatchewan.
5. That connections be established in Eastern Canada and the United States.
6. That direct export of cattle be made to Great Britain.
7. That feeders and stockers be sold as direct as possible, and that where feeders and stockers are sold in Saskatchewan they be sold so as to avoid long freight hauls.
8. That no effort be spared to bring about Government grading of cattle and sheep as soon as possible.

Contracts secured by the association now number 3,200, covering about 1,400 cars of stock. Forty-seven locals have been established, 20 of which are now in a position to ship. Officials are anxious to secure a sign-up of as nearly 100 per cent as possible.

FINAL SETTLEMENT BY TEXAS COTTON ASSOCIATION

Announcement was made by the Texas Farm Bureau Cotton Association, Dallas, as of May 1, that final settlement was being made on 188,826 bales of cotton received and classed prior to the close of business on March 8. The amount of the final payment was reported as \$3,375,663, and the total payment on the 188,826 bales was given as \$11,707,213.

The cotton was sold in 356 pools with net prices, f.o.b. Houston, ranging from less than 8 cents a pound to more than 22 cents. Many of the checks for the final settlement were delivered personally to members attending more than fifty meetings held in 49 counties during the last few days of April.

Deductions for expenses of marketing included 42 cents a bale for interest on borrowed money and \$2.63 a bale for overhead expense. One per cent of the net sales value was also deducted for the reserve fund, the amounts of the deductions being credited to the members. It is stated that by order of the board of directors the deductions made five years ago for the reserve fund will be returned to growers at the close of the present season.

About 2,000 bales of cotton not classed prior to the close of business on March 8 will be included in a post-season pool.

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TENNESSEE COTTON ASSOCIATION MAKES SETTLEMENT

Final settlement for 1926 cotton was completed on April 23 by the Tennessee Cotton Growers' Association, Memphis, and checks to the amount of nearly a quarter million dollars went into the mails on that date. This payment covered deliveries to all seasonal pools to March 28, and also all cotton delivered to daily and monthly pools in which the growers asked that the price be fixed by March 28. Final settlement on daily and monthly pool cotton which was fixed during April was paid on the first of May.

The seasonal pool contained 13,595 bales which brought a gross sum of \$886,345, and the 323 bales in the daily and monthly pools brought \$19,853, a total of \$906,203. Expenses amounted to \$139,650, and net proceeds of sales to \$784,807. From this was deducted the amount previously advanced to members, \$539,666, and a 1 per cent reserve of \$7,782, leaving the amount to be distributed \$237,357.

As the volume of cotton handled was small the expenses were somewhat higher than last year. Total expenses amounted to 1.68 cents per pound, of which 1.27 cents was for office and overhead, and 1.0041 cents for storage, interest, insurance, and freight.

Since the first of the year the association has added 350 new members who expect to deliver 4,400 bales during the 1927 season.

LOUISIANA COTTON ASSOCIATION DISTRIBUTES HALF MILLION

Nearly a half million dollars was distributed to the 7,000 members of the Louisiana Farm Bureau Cotton Association, Shreveport, La., on April 12. This brought the advances up to 10 cents a pound, basis mid-ling, with adjustment for various grades, colors and staples.

Of the 55,000 bales delivered to the association nearly 45,000 bales had been sold before the end of April, and the association expected soon to be in a position to make final settlement for all 1926 cotton received.

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ENLARGED TERRITORY FOR ARIZONA PIMACOTTON GROWERS

Cotton growers in the upper Gila Valleys of Arizona have recently asked that the services of the Arizona Pimacotton Growers be extended to them. In response to this request representatives of the association visited these cotton farmers and held meetings at Safford and Duncan, with the result that two new branches of the association were formed, the Gila Valley Branch, Safford, and the Duncan Valley Branch, Duncan. In the latter organization about 85 per cent of the cotton acreage is signed up. It is expected that these two branches will bring from 4,000 to 6,000 additional bales into the association, while the acreage signed up in the Tucson district will add from 3,000 to 4,000 bales.

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WISCONSIN TOBACCO POOL CONTINUES FOR SECOND FIVE YEARS

By formal action the board of directors of the Northern Wisconsin Cooperative Tobacco Pool, Madison, decided on April 22 that the recent sign-up campaign had resulted in the pledging of more than 20,000,000 pounds of tobacco to the association annually for the five years beginning with 1927. This action continues this cooperative marketing enterprise for a second five-year period, the association having been organized in 1922.

Certificates of indebtedness issued to cover deductions made from the returns for the sale of the 1922 crop are now being paid. Approximately 6,400 such certificates were issued. The certificates for deductions made in 1923 and subsequent years will become due at the end of successive five-year periods.

BIG YEAR FOR CALIFORNIA ALMOND GROWERS

Deliveries of almonds were greater for the 1926 season than for any other in the history of the California Almond Growers' Exchange, San Francisco. The deliveries of merchantable nuts amounted to 19,939,171 pounds, the deliveries of sticktights (nuts in hulls), to 887,531 pounds; and deliveries of growers' meats, to 971,220 pounds. The largest delivery of merchantable nuts in any preceding year was made in 1923 when 13,896,405 pounds were delivered. The Exchange closed its business year on February 28 with inventories as follows: merchantable nuts, 1,257,328 pounds; sticktights, 14,315 pounds; meats, 1,786,075 pounds; growers' meats, 8,634 pounds.

Net proceeds for the 1926 season are given as \$3,739,035. This figure represents the gross sales, less the direct expense, plus the net value of the products on hand at the close of the business year.

Exchange allowances and expenses amounted to \$230,053, including \$68,805 for advertising, \$56,272 for administrative expense, and \$72,733 for general expense. A deduction of 5 per cent was made for the reserve for working capital. This deduction amounted to \$175,458.

Plant, fixtures and equipment of the Exchange have a depreciated value of \$412,939. The reserve for working capital amounted to \$342,195 at the close of the fiscal year. This includes deductions from the returns of the 1924, 1925 and 1926 crops, the deductions for the preceding years having been refunded to the grower-members from whose returns they were deducted. Interest is paid to the growers on the reserve for working capital.

The growth of the Exchange since 1916 is indicated by the following figures:

Year ending Feb. 28	Number of members	Nuts received	Sales
		(Pounds)	
1916-17	1,240	-----	-----
1917-18	1,723	5,272,325	-----
1918-19	2,309	5,738,703	* \$1,295,076
1919-20	3,201	10,744,526	* 2,696,920
1920-21	3,679	8,851,339	* 1,466,477
1921-22	2,467	8,731,104	* 1,964,138
1922-23	2,998	11,485,135	* 2,081,680
1923-24	3,359	13,896,405	* 1,835,732
1924-25	3,411	10,228,227	** 1,875,868
1925-26	3,426	9,003,950	** 2,044,668
1926-27	***3,536	19,939,171	** 3,739,035

* Gross sales. ** Includes carry overs with direct expenses deducted. *** August 1, 1926.

HONEST EXPRESSION OF OPINION NOT FRAUDULENT

In Texas Farm Bureau Cotton Association v. Craddock, 285 S. W. 949, the lower court held in favor of the defendant, because during the time that the association was being organized it found that one of its agents represented to the defendant that "the expense of handling the cotton in no event would exceed \$2 per bale," and because of this fact the court held the contract entered into by the defendant with the association void.

In reversing the judgment of the trial court the appellate court said:

We think it is plain from the testimony referred to that the statement on which the jury predicated their finding in form was no more than an expression of the agent's opinion as to what would be the expense of handling the cotton; for an assertion that a thing will happen in the future necessarily is always a statement of an opinion and is never a statement of a fact. A thing must have happened before it can be a fact. Downes v. Self, 28 Tex. Civ. App. 356, 67 S. W. 897.

However, fraud may be predicated on a statement which purports to be only the expression of an opinion entertained, if the person expressing the opinion in reality does not entertain it, but falsely pretends he does for the purpose of deceiving another person. 12 R. C. L. 247 et seq.; 28 C. J. 1079 et seq.; Simkins on Equity, 531. Hence this court would have to assume in support of the judgment, if there was testimony authorizing it, that the trial court found the agent did not in fact entertain the opinion he expressed.

The appellate court with respect to the last proposition stated that the testimony in the "record indicates that the agent honestly entertained the opinion he expressed." A consideration which led the court to this conclusion was the fact that the association was not operating at the time that the statement was made and, therefore, the cost of handling cotton was necessarily conjectural, "a fact which in the nature of things necessarily must have been known to appellees."

L. S. Hulbert.

RULING REGARDING INCOME TAXES

Recently the Bureau of Internal Revenue passed upon the question of whether the Farmers' Cooperative Produce Company of Marshfield, Wis., a buying organization, was entitled to exemption from the payment of income taxes under the revenue act of 1926. Representatives of the Bureau of Internal Revenue at first expressed the view that the company was not entitled to exemption because it dealt in coal and flour, which commodities it was thought were not embraced within the meaning of the words "supplies and equipment," as used in the income tax language. Upon a fuller consideration of the case it was held by the Bureau of Internal Revenue that coal and flour were embraced within the meaning of the term "supplies and equipment," and as the company met the other requirements with respect to exemption, it was granted. In this connection it may be said that it was pointed out that the company did less than 50 per cent of its business with nonmembers and that it treated members and nonmembers alike in the payment of refunds or patronage dividends based upon their purchases.

L. S. Hulbert.

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WIFE BOUND BY CONTRACT EXECUTED BY HUSBAND

On February 18, 1927, the Court of Appeals of Kentucky decided the case of the Dark Tobacco Growers' Cooperative Association v. Garth, 291, S. W. 367, in favor of the association. It appeared that the husband of defendant was general manager of her farm. Without consulting his wife, he "made the tenant contracts, sold the produce, and collected the money, depositing it sometimes in his name, but more frequently in that of his wife; and, when so done, he would issue checks for current expenses to which he would subscribe his wife's name by him, and in that way he appears to have had complete control of, not only the management of the farm, but also the disposition of the products."

On April 26, 1922, the husband of the defendant signed a membership contract in his name with the association, and for the years 1922 and 1923 "without any objection from his wife, the defendant, he delivered all of the tobacco grown on the farm to the association pursuant to the obligations of the membership contract." Being dissatisfied with the workings and operations of the contract, he and the defendant claimed that they entered into a new understanding "at the beginning of the year 1924, by which he would cease growing tobacco, and that what was thereafter grown should be at the instance...and under the control and management of defendant exclusively."

Tobacco was grown on the farm of defendant in the year 1924 and was disposed of outside of the association. Because of this fact, the association brought suit to recover liquidated damages of five cents

per pound provided for in the membership contract. The question for decision was, "Was the membership contract signed alone by the husband of defendant in his name binding upon the defendant?" The lower court dismissed the suit and the association appealed.

In holding that the trial court should have sustained the motion of the association for a peremptory instruction for a judgment in its favor, the court said:

Two of the well-settled principles of the law relative to principal and agent are: (1) That a principal is bound by the contract of his agent when at the time it was made the agent acted within the limits of his express authority or the scope of his implied authority, and (2) that, although the contract may be entered into in the name of the agent alone, yet if it is within his authority and for the benefit of his principal, the latter will be liable as though the contract had been expressly executed in his name.

Those principles are true whether the contract is verbal or in writing, unless it is such a one as the law requires written authority to the agent in order to bind the principal. The membership contract involved in this case is not one where the agent's authority is required to be in writing, and the fact that defendant's husband did not have written authority from her to sign the contract at the time he did so can not serve to relieve her from its burdens if she was otherwise bound.

The statute under which plaintiff was organized was enacted for the express purpose of creating a method of marketing tobacco supposed to be in the interest of the producer, and it would seem to follow that the husband, possessing the authority which we have recited, undoubtedly acted within the scope thereof when he, in the legal manner, accepted the statutorily provided method of marketing the tobacco grown on his wife's farm, and in subscribing his name to the contract it was for the supposed benefit of not only himself, but also of that of the owner of the farm, in the management of which he was vested with such unlimited authority. That being true, the contract immediately upon its execution, although in the name of the husband alone, became the contract of the wife, and the association with which it was made could look to her as an undisclosed principal for the fulfillment of its obligation whenever it discovered that she was such a one.

L. S. Hulbert.

FARMERS' UNION HOLDS TWO-DAY SCHOOL

A two-day school for Farmers' Union organizers was held at Jamestown, N. D., March 26 and 27, to give the men who were going out as organizers a clear idea of the program of the Farmers' Union in order that they might be able to explain it to the farmers just as it is. The point was emphasized that the Farmers' Union is an educational institution and its business activities are all created as separate and distinct cooperative associations. Specific activities discussed included livestock marketing, grain marketing, terminal associations, and insurance.

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WOMEN ON TEXAS COTTON FARMS STUDY COOPERATION

About 8,000 farm women of Texas are having an opportunity to learn something of the history of the cooperative movement, its principles and practices, through a series of lessons sent out by the Texas Farm Bureau Cotton Association, Dallas. These lessons are prepared by the educational representative of the association and are sent out monthly to groups of women. Each lesson is accomplished by a personal letter and also by a list of questions summarizing the contents of the lesson. There are no charges for this service but each woman who receives a copy of the lessons is expected to study them and gain a thorough understanding of the subject matter and be able to pass the information on to others.

Twelve lessons will constitute the course.

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FIRST COOPERATIVE TRAINING SCHOOL IN EAST

With 16 students and 3 instructors a cooperative training school, extending over six weeks, is being conducted by the Eastern States Cooperative League, New York City. One instructor is teaching the history and principles of consumers' cooperation, another specializes in problems of organization and management, while the third gives three or four hours each day to cooperative bookkeeping.

It is stated that "the student body of the school makes up a genuine cooperative Internationale." The nationalities represented are: American, Finnish, Bohemian, Scandinavian, Jewish, Russian, and German. They come from New York City and other points in that state, from Ohio, and Massachusetts. They range in age from 16 to 37. Eleven are men and 5 are women. Ten have already had employment in cooperative business in some capacity.

Educational tours of cooperative enterprises in Greater New York are planned in connection with the course.

COOPERATIVE SUPPLIES COAL TO MEMBERS

Nearly 100 elevators in Eastern Colorado are being served by the Equity Union Coal and Mercantile Company, Denver. This association was organized in the summer of 1915 by representatives of a few local associations for the purpose of creating an agency to buy coal, salt, lumber, fencing, etc., at wholesale. The number of associations using the facilities of the wholesale company has increased from year to year.

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MILLION DOLLAR BUSINESS FOR COOPERATIVE WHOLESALE

Approximately 100 delegates attended the annual meeting of the Cooperative Central Exchange, Superior, Wis., on March 29 and 30. These delegates represented the various societies affiliated with the wholesale organization.

During the year the number of affiliated societies increased by nine. Some gained membership through purchase dividends and some bought shares. All were located in Wisconsin and Minnesota.

A systematic effort is made each year to increase sales. A goal of \$1,000,000 set for 1926 was attained. Sales amounted to \$1,048,292, an increase of 25.2 per cent over the preceding year. Gains were realized in the jobbing and wholesale departments, and the net income for the year was \$11,647.

Comparative statistics for several years are shown in the table below:

Year	Members	Patrons	Sales*	Capital stock	Net worth
1917	15	15	\$ 25,573	\$ 480	\$ 748
1918	26	50	132,423	4,020	6,350
1919	40	83	313,663	6,940	15,435
1920	48	100	409,590	10,890	21,911
1921	56	103	312,346	15,388	23,247
1922	56	112	337,566	16,292	22,279
1923	56	108	504,177	17,992	28,250
1924	60	99	613,214	21,500	33,370
1925	65	93	835,532	27,278	42,998
1926	74	99	1,048,292	37,248	57,397

* Including revenue from auditing.

REPORTED BY THE ASSOCIATIONS

A law providing for the establishment of credit unions in the State of California, has been placed upon the statute books recently after a campaign of five years in behalf of such legislation. Missouri has also enacted a credit union law, bringing the total number of states with such laws to 26.

In the month of April the Fraser Valley Milk Producers' Association, Vancouver, B. C., distributed to its members interest checks to the amount of \$46,569, and stock certificates to the value of \$90,300 bearing 8 per cent interest, which had accrued to the members on the amount of butterfat shipped during the past year.

The British Columbia Cooperative Livestock Exchange is being formed for the marketing of livestock. A contract covering three years has been drafted and when the signatures include three-fourths of the livestock producers tributary to Kamloops the organization will commence to function. It is expected eventually to establish stockyards.

Mutual hail insurance for its members is being endorsed by the Illinois Fruit Exchange, Centralia, Ill. Such insurance may be obtained on the payment of \$4 per thousand, with an adjustment premium at the end of the season, not to exceed \$30 per thousand. Maximum insurance that may be secured is \$100 per acre. Adjustments for losses incurred will be made at time of harvest.

Eight societies were admitted to membership in the Citrus Exchange at the first meeting of directors, held at Pretoria, South Africa, in September, 1926. Representation on the South African Fruitgrowers' Cooperative Exchange, Ltd., was considered and a decision was reached to have one representative from Rhodesia, one from Natal, one from Cape, and two from the Transvaal. These representatives and their alternates were chosen, also an executive committee of 8, representing the various districts, a grading committee of 5, and a finance committee of 3.

A patronage refund of one and one-half per cent was made to 114 members of the Dieterich Cooperative Equity Union Exchange, Dieterich and Winterrowd, Ill., for the year ending December 31, 1926. This refund amounted to \$2,151. The grower who had used the facilities of the Exchange most received a refund of \$71.73, while the other growers received smaller amounts. This association was organized in 1922. Its business transactions for the various years are as follows: 1923, \$46,268; 1924, \$82,203; 1925, \$119,509; 1926, \$151,550. Net earnings for 1926 were \$3,476.

BACK NUMBERS OF THIS CIRCULAR DESIRED

Several copies of Agricultural Cooperation for December 20, 1926, are needed to complete library files. Kindly forward any available copies to the Division of Cooperative Marketing, Department of Agriculture, Washington, D. C.

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WHEAT POOL LECTURES ISSUED BY ALBERTA POOL

A series of "Wheat Pool Lectures" has been prepared and issued in bulletin form by the Department of Education and Publicity of the Alberta Cooperative Wheat Producers, Ltd., Calgary. In twelve concise, little lectures the objectives, the methods of organization and operation, and the accomplishments of the Alberta Wheat Pool are summarized for the benefit of members and others.

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TROPHIES OFFERED FOR MERITORIOUS EDITORIAL SERVICE

A second prize competition, to be conducted under the auspices of the National Co-op Press Club, is announced and judges have been selected to pass upon the entries. Four awards were made for meritorious cooperative editorial service in 1925 and four are announced for the year 1926. These will be for (1) the best co-op magazine, (2) the best co-op newspaper, (3) the best co-op story, and (4) the best co-op booklet. Entries should be filed before June 1, 1927, with the secretary of the club, Robin Hood, care of Cooperative Marketing Journal, 310 Cotton Exchange Building, Memphis, Tenn.

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FARM BUREAU WORKERS' INFORMATION SERVICE

The American Farm Bureau Federation, Chicago, is now issuing a monthly bulletin, "Farm Bureau Workers' Information Service," to furnish information and suggestions to men and women engaged in farm bureau work. Through this bulletin the results of surveys and studies will be presented, as well as current information and timely suggestions.

The first number, issued in April, reviews the status of "Cooperative business with nonmembers," giving a list of the states in which associations are permitted by law to transact business with nonmembers, with the conditions and limitations imposed by a number of these states. States in which cooperative associations may handle products of nonmembers for storage only, are also listed, as well as those in which associations are forbidden by law to handle products of nonmembers.

SELECTED LIST OF PUBLICATIONS AND ARTICLES

- Barber, Solon R. A \$2,500,000 Poultry Cooperative. Capper's Farmer, Topeka, Kans., May, 1927, p. 8.
- Brubaker, D. D. Marketing Knowledge Deficient: Boost for Cooperation. Hoard's Dairyman, Fort Atkinson, Wis., April 25, 1927, p. 469.
- Cooperative Livestock Commission Firm Formed. California Cultivator. Los Angeles, Calif., April 9, 1927, p. 459.
- Downie, Earnest R. No Good Argument Against Pools. Wheat Growers' Journal, Wichita, Kan., April 30, 1927, p. 11.
- Green, H. Martin. The Pool in Marketing. The Irish Statesman, Dublin, Ireland, March 26, 1927, p. 62.
- Hanemann, H. A. Cooperative Livestock Sales Association Big Factor in Pittsburgh. Keystone Cooperation, Harrisburg, Pa., March, 1927, p. 1.
- Howard, C. B. Selling Cotton on Net Weight. Louisiana Farm Bureau News Baton Rouge, La., April 25, 1927, p. 3.
- Jackman, W. J. A Story About Wheat Growing in Argentina. Nebraska Wheat Grower, Hastings, Nebr., May 1, 1927, p. 10.
- No Epitaph Needed for Tobacco Pool. Editorial. Wisconsin Farmer. Madison, Wis., April 21, 1927, p. 4.
- Porter, C. G. Canadian Pools Pass Acid Test of Merchandising. Wheat Grower, Grand Forks, N. D. May 1, 1927, p. 7.
- Speed, James. Cattle Trade Develops Strong Cooperative. Southern Agriculturist, Nashville, Tenn., March 1, 1927, p. 21.
- Taylor, P. R. Apple Industry to Advertise. Keystone Cooperation, Harrisburg, Pa., February, 1927, p. 1.
- Wheat Pools Broadcast from Station KFKX: Some of the Short Talks Given at Hastings During the Annual Meeting and School of Nebraska Wheat Growers' Association. Nebraska Wheat Grower, Hastings, Nebr., May 1, 1927, p. 4.

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